

Comments on Proposed Policy TE-4

Presented by: Joanne Watson, COO, Raleigh Radiology

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Thank you for the opportunity to comment on this important policy.

1. Today, I have some general remarks on behalf of Raleigh Radiology, LLC. We will follow with more specific suggestions at a subsequent hearing.
2. We appreciate the work of staff and Committees in developing this five-year old discussion into a policy suitable for public comment this year.
3. We believe that with minor clarification, TE-4 could be a natural extension of what the SHCC has already codified with TE-3.
4. We have listened to comments at the last two hearings; and believe it would be clearer to separate the proposed policy into two: TE-4 for Fixed MRI and TE-5 for mobile.
5. If the need determination continues to be limited to one fixed MRI scanner per service area, Wake County residents will have an access problem.
6. Wake County is unique. At least five of its 19 “fixed” scanners (26%) are grandfathered mobile units operated under contract with unrelated entities. No other county has this access issue. Raleigh Radiology has two of these, which have been under contract for the last 15 years. The Declaratory Ruling petition for one of our “fixed” MRIs states, “at end of the agreement, the unrelated entity is able to remove its equipment and provide MRI services to other hosts sites using the equipment.” It does not specify the equipment will provide MRI services in Wake County. This has potential to create an access risk in Wake County.
7. Three of the five Wake County grandfathered fixed scanners operated under these unrelated entity contracts operate above the Wake County service area threshold. And, all three have operated this way for several years.
8. By narrowing TE-4 to address only the fixed MRI units, the SHCC can eliminate the ambiguities surrounding the mobile portion of the current Draft Policy and address the Wake County problem. Then, it can address the mobile units with similar focused attention in a separate policy.
9. In a previous public hearing, commenters for Alliance Medical suggested to the Committee that the problem in Wake resolved when the Agency Approved the 2019 CON application from Raleigh Radiology Cary. This is not true. That application was appealed and we do not know when or how that will be resolved.
10. Because the 2019 Plan limited the fixed MRI need for Wake County to one, Raleigh Radiology had to choose among three sites for that one opportunity. RR has two Grandfathered fixed MRI scanners contracted from an unrelated entity. In addition, RR had a new imaging center in an area with limited MRI availability. Yet, the state could award only one Fixed MRI Scanner. To be

successful, a new imaging center must offer MRI services to the residents it serves. Therefore, we submitted two applications in the same batch. Our new site was denied, therefore, we contracted with Alliance for mobile services. We have a good relationship with Alliance. They understand how to support us in new centers and they have tried to be very accommodating. However, we have been unable to get the MRI equipment type that we want and Alliance struggled to find us available days. We are expanding to serve the growing need for imaging services; MRI is now a standard imaging modality; and we plan to use Alliance mobiles for several more locations. There is no need for concern that Alliance will be short of customers under a TE-4 fixed MRI policy.

11. As written, the Plan gives Wake County only one choice a year with regard to fixed scanners. Wake can convert an existing contract or grow by one fixed scanner a year. At this rate, in a best-case scenario, Wake County residents may wait at least three years, possibly five for the backlog of existing fixed contracts to clear before new sites are approved.
12. This creates an access problem for Wake County patients – one that the SHCC could easily solve with a few modifications to the proposed Policy that would:
 - a. clarify definitions,
 - b. separate out the mobile, and
 - c. make wording consistent with the rest of the Plan.

We will provide more detailed information on these suggestions at another hearing.

13. We urge the Committee to stay the course, this is a good start. Please separate the Draft Policy into TE-4 for fixed and TE-5 for mobile MRI scanners.

We appreciate the time and energy that goes in to developing the Plan. We applaud Ms. Frisone and her team for being forward thinking.